

PART 847—TRANSPORTATION

Subpart 847.3—Transportation in Supply Contracts

Sec.

847.303 Standard delivery terms and contract clauses.

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847.305 Solicitation provisions, contract clauses, and transportation factors.

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847.306 Transportation factors in the evaluation of offers.

847.306-70 Transportation payment and audit.

AUTHORITY: 40 U.S.C. 121(c) and 48 CFR 1.301-1.304.

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847.303 Standard delivery terms and contract clauses.

847.303-1 F.o.b. origin.

Shipments falling within this category must be shipped on a bill of lading, except as provided in 41 CFR 102-118.40. Contracting officers must comply with 41 CFR Parts 102-117 and 102-118. Contact the Traffic Manager for assistance in determining when to issue the applicable bill of lading (VA Commercial Bill of Lading for domestic use or Government Bill of Lading for international shipments and domestic offshore shipments) and for all freight estimates.

847.303-70 F.o.b. origin, freight prepaid, transportation charges to be included on the invoice.

(a) The delivery terms will be stated as “f.o.b. origin, transportation prepaid, with transportation charges to be included on the invoice,” under any of the following circumstances:

(1) When it is determined that an f.o.b. origin purchase or delivery order will have transportation charges that do not exceed \$250 and the occasional exception does not exceed that amount by more than \$50.

(2) Single parcel shipments via express, courier, small package, or similar carriers, regardless of shipping cost, if the shipped parcel weighs 70 pounds or less and does not exceed 108 inches in length and girth combined.

(3) Multi-parcel shipments via express, courier small package, or similar carriers for which transportation charges do not exceed \$250 per shipment.

(b) Orders issued on VA Form & 90-2138, Orders for Supplies or Services, must identify shipping instructions on the reverse side of the form. When VA Form 90-2138 is not used, the vendor must do the following:

(1) Consistent with the terms of the contract, pack, mark, and prepare shipment in conformance with carrier requirements to protect the personal property and assure the lowest applicable transportation charge. Follow package specifications found in the National Motor Freight Classification 100 Series.

(2) Add transportation charges as a separate item on the invoice. The invoice must include the following certification: “The invoiced transportation charges have been paid and evidence of such payment will be furnished upon the Government’s request.”

(3) Not include charges for insurance or valuation on the invoice unless the order specifically requires that the shipment be insured or the value be declared.

(4) Not prepay transportation charges on the order if such charges are expected to exceed \$250. Ship collect and annotate the commercial bill of lading, “To be converted to VA Commercial Bill of Lading.” Contact the VA Traffic Manager for routing instructions and freight estimate.

(c) Each contracting officer is responsible for:

(1) Obtaining the most accurate estimate possible of transportation charges.

(2) Using the authority in paragraph (a) of this section only when consistent with the circumstances in that paragraph.